SB3359 Engrossed

1 AN ACT concerning liquor.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

4 Section 5. The Liquor Control Act of 1934 is amended by 5 changing Sections 5-1, 5-3, 6-16, 6-27.1, and 6-28.8 and by 6 adding Sections 6-28.9 and 6-28.10 as follows:

7 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

8 Sec. 5-1. Licenses issued by the Illinois Liquor Control 9 Commission shall be of the following classes:

(a) Manufacturer's license - Class 1. Distiller, Class 2. 10 Rectifier, Class 3. Brewer, Class 4. First Class Wine 11 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 12 6. First Class Winemaker, Class 7. Second Class Winemaker, 13 14 Class 8. Limited Wine Manufacturer, Class 9. Craft Distiller, Class 10. Class 1 Craft Distiller, Class 11. Class 2 Craft 15 16 Distiller, Class 12. Class 1 Brewer, Class 13. Class 2 Brewer, 17 Class 14. Class 3 Brewer,

- 18 (b) Distributor's license,
- 19 (c) Importing Distributor's license,
- 20 (d) Retailer's license,
- 21 (e) Special Event Retailer's license (not-for-profit),
- 22 (f) Railroad license,
- 23 (g) Boat license,

1	(h) Non-Beverage User's license,
2	(i) Wine-maker's premises license,
3	(j) Airplane license,
4	(k) Foreign importer's license,
5	(1) Broker's license,
6	(m) Non-resident dealer's license,
7	(n) Brew Pub license,
8	(o) Auction liquor license,
9	(p) Caterer retailer license,
10	(q) Special use permit license,
11	(r) Winery shipper's license,
12	(s) Craft distiller tasting permit,
13	(t) Brewer warehouse permit,
14	(u) Distilling pub license,
15	(v) Craft distiller warehouse permit,
16	(w) Beer showcase permit <u>.</u> -
17	(x) Third-party retailer delivery license.
18	No person, firm, partnership, corporation, or other legal
19	business entity that is engaged in the manufacturing of wine
20	may concurrently obtain and hold a wine-maker's license and a
21	wine manufacturer's license.
22	(a) A manufacturer's license shall allow the manufacture,

(a) A manufacturer's license shall allow the manufacture, 22 23 importation in bulk, storage, distribution and sale of alcoholic liquor to persons without the State, as may be 24 permitted by law and to licensees in this State as follows: 25 26 Class 1. A Distiller may make sales and deliveries of SB3359 Engrossed - 3 - LRB103 37014 RPS 67129 b

alcoholic liquor to distillers, rectifiers, importing
 distributors, distributors and non-beverage users and to no
 other licensees.

4 Class 2. A Rectifier, who is not a distiller, as defined 5 herein, may make sales and deliveries of alcoholic liquor to 6 rectifiers, importing distributors, distributors, retailers 7 and non-beverage users and to no other licensees.

8 Class 3. A Brewer may make sales and deliveries of beer to 9 importing distributors and distributors and may make sales as authorized under subsection (e) of Section 6-4 of this Act, 10 11 including any alcoholic liquor that subsection (e) of Section 12 6-4 authorizes a brewer to sell in its original package only to a non-licensee for pick-up by a non-licensee either within the 13 interior of the brewery premises or at outside of the brewery 14 15 premises at a curb-side or parking lot adjacent to the brewery premises, subject to any local ordinance. 16

17 Class 4. A first class wine-manufacturer may make sales and deliveries of up to 50,000 gallons of 18 wine to manufacturers, importing distributors and distributors, and to 19 20 If a first-class wine-manufacturer no other licensees. manufactures beer, it shall also obtain and shall only be 21 22 eligible for, in addition to any current license, a class 1 23 brewer license, shall not manufacture more than 930,000 gallons of beer per year, and shall not be a member of or 24 affiliated with, directly or indirectly, a manufacturer that 25 produces more than 930,000 gallons of beer per year. If the 26

SB3359 Engrossed - 4 - LRB103 37014 RPS 67129 b

first-class wine-manufacturer manufactures spirits, it shall 1 2 also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller license, shall not 3 manufacture more than 50,000 gallons of spirits per year, and 4 5 shall not be a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 6 gallons of spirits per year. A first-class wine-manufacturer 7 8 permitted to sell wine manufactured shall be at the 9 first-class wine-manufacturer premises to non-licensees.

10 Class 5. A second class Wine manufacturer may make sales 11 and deliveries of more than 50,000 gallons of wine to 12 manufacturers, importing distributors and distributors and to 13 no other licensees.

Class 6. A first-class wine-maker's license shall allow 14 15 the manufacture of up to 50,000 gallons of wine per year, and 16 the storage and sale of such wine to distributors in the State 17 and to persons without the State, as may be permitted by law. A person who, prior to June 1, 2008 (the effective date of Public 18 Act 95-634), is a holder of a first-class wine-maker's license 19 20 and annually produces more than 25,000 gallons of its own wine and who distributes its wine to licensed retailers shall cease 21 22 this practice on or before July 1, 2008 in compliance with 23 Public Act 95-634. If a first-class wine-maker manufactures beer, it shall also obtain and shall only be eligible for, in 24 addition to any current license, a class 1 brewer license, 25 shall not manufacture more than 930,000 gallons of beer per 26

SB3359 Engrossed - 5 - LRB103 37014 RPS 67129 b

year, and shall not be a member of or affiliated with, directly 1 or indirectly, a manufacturer that produces more than 930,000 2 3 gallons of beer per year. If the first-class wine-maker manufactures spirits, it shall also obtain and shall only be 4 eligible for, in addition to any current license, a class 1 5 craft distiller license, shall not manufacture more than 6 7 50,000 gallons of spirits per year, and shall not be a member 8 of or affiliated with, directly or indirectly, a manufacturer 9 that produces more than 50,000 gallons of spirits per year. A 10 first-class wine-maker holding a class 1 brewer license or a 11 class 1 craft distiller license shall not be eligible for a 12 wine-maker's premises license but shall be permitted to sell wine manufactured at the first-class wine-maker premises to 13 14 non-licensees.

15 Class 7. A second-class wine-maker's license shall allow 16 the manufacture of up to 150,000 gallons of wine per year, and 17 the storage and sale of such wine to distributors in this State and to persons without the State, as may be permitted by law. A 18 19 person who, prior to June 1, 2008 (the effective date of Public 20 Act 95-634), is a holder of a second-class wine-maker's license and annually produces more than 25,000 gallons of its 21 22 own wine and who distributes its wine to licensed retailers 23 shall cease this practice on or before July 1, 2008 in compliance with Public Act 95-634. 24 If a second-class 25 wine-maker manufactures beer, it shall also obtain and shall 26 only be eligible for, in addition to any current license, a

SB3359 Engrossed - 6 - LRB103 37014 RPS 67129 b

class 2 brewer license, shall not manufacture more than 1 2 3,720,000 gallons of beer per year, and shall not be a member 3 of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If 4 5 a second-class wine-maker manufactures spirits, it shall also obtain and shall only be eligible for, in addition to any 6 current license, a class 2 craft distiller license, shall not 7 8 manufacture more than 100,000 gallons of spirits per year, and 9 shall not be a member of or affiliated with, directly or 10 indirectly, a manufacturer that produces more than 100,000 11 gallons of spirits per year.

12 Class 8. A limited wine-manufacturer may make sales and 13 deliveries not to exceed 40,000 gallons of wine per year to 14 distributors, and to non-licensees in accordance with the 15 provisions of this Act.

16 Class 9. A craft distiller license, which may only be held 17 by a class 1 craft distiller licensee or class 2 craft distiller licensee but not held by both a class 1 craft 18 distiller licensee and a class 2 craft distiller licensee, 19 20 shall grant all rights conveyed by either: (i) a class 1 craft distiller license if the craft distiller holds a class 1 craft 21 22 distiller license; or (ii) a class 2 craft distiller licensee 23 if the craft distiller holds a class 2 craft distiller 24 license.

25 Class 10. A class 1 craft distiller license, which may 26 only be issued to a licensed craft distiller or licensed

non-resident dealer, shall allow the manufacture of up to 1 2 50,000 gallons of spirits per year provided that the class 1 3 craft distiller licensee does not manufacture more than a combined 50,000 gallons of spirits per year and is not a member 4 5 of or affiliated with, directly or indirectly, a manufacturer that produces more than 50,000 gallons of spirits per year. If 6 7 a class 1 craft distiller manufactures beer, it shall also 8 obtain and shall only be eligible for, in addition to any 9 current license, a class 1 brewer license, shall not 10 manufacture more than 930,000 gallons of beer per year, and 11 shall not be a member of or affiliated with, directly or 12 indirectly, a manufacturer that produces more than 930,000 gallons of beer per year. If a class 1 craft distiller 13 14 manufactures wine, it shall also obtain and shall only be 15 eligible for, in addition to any current license, a 16 first-class wine-manufacturer license or а first-class 17 wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or 18 affiliated with, directly or indirectly, a manufacturer that 19 20 produces more than 50,000 gallons of wine per year. A class 1 craft distiller licensee may make sales and deliveries to 21 22 importing distributors and distributors and to retail 23 licensees in accordance with the conditions set forth in paragraph (19) of subsection (a) of Section 3-12 of this Act. 24 25 However, the aggregate amount of spirits sold to non-licensees 26 and sold or delivered to retail licensees may not exceed 5,000

SB3359 Engrossed - 8 - LRB103 37014 RPS 67129 b

1 gallons per year.

2 A class 1 craft distiller licensee may sell up to 5,000 3 gallons of such spirits to non-licensees to the extent permitted by any exemption approved by the State Commission 4 5 pursuant to Section 6-4 of this Act. A class 1 craft distiller 6 license holder may store such spirits at a non-contiguous licensed location, but at no time shall a class 1 craft 7 8 distiller license holder directly or indirectly produce in the 9 aggregate more than 50,000 gallons of spirits per year.

10 A class 1 craft distiller licensee may hold more than one 11 class 1 craft distiller's license. However, a class 1 craft 12 distiller that holds more than one class 1 craft distiller 13 license shall not manufacture, in the aggregate, more than 50,000 gallons of spirits by distillation per year and shall 14 15 not sell, in the aggregate, more than 5,000 gallons of such 16 spirits to non-licensees in accordance with an exemption 17 approved by the State Commission pursuant to Section 6-4 of this Act. 18

Class 11. A class 2 craft distiller license, which may 19 20 only be issued to a licensed craft distiller or licensed non-resident dealer, shall allow the manufacture of up to 21 22 100,000 gallons of spirits per year provided that the class 2 23 craft distiller licensee does not manufacture more than a combined 100,000 gallons of spirits per year and is not a 24 25 member of or affiliated with, directly or indirectly, a 26 manufacturer that produces more than 100,000 gallons of

spirits per year. If a class 2 craft distiller manufactures 1 2 beer, it shall also obtain and shall only be eligible for, in addition to any current license, a class 2 brewer license, 3 shall not manufacture more than 3,720,000 gallons of beer per 4 5 year, and shall not be a member of or affiliated with, directly 6 or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year. If a class 2 craft 7 8 distiller manufactures wine, it shall also obtain and shall 9 only be eligible for, in addition to any current license, a 10 second-class wine-maker's license, shall not manufacture more 11 than 150,000 gallons of wine per year, and shall not be a 12 member of or affiliated with, directly or indirectly, a manufacturer that produces more than 150,000 gallons of wine 13 14 per year. A class 2 craft distiller licensee may make sales and 15 deliveries to importing distributors and distributors, but 16 shall not make sales or deliveries to any other licensee. If 17 the State Commission provides prior approval, a class 2 craft distiller licensee may annually transfer up to 100,000 gallons 18 of spirits manufactured by that class 2 craft distiller 19 20 licensee to the premises of a licensed class 2 craft distiller wholly owned and operated by the same licensee. A class 2 craft 21 22 distiller may transfer spirits to a distilling pub wholly 23 owned and operated by the class 2 craft distiller subject to the following limitations and restrictions: (i) the transfer 24 25 shall not annually exceed more than 5,000 gallons; (ii) the annual amount transferred shall reduce the distilling pub's 26

SB3359 Engrossed - 10 - LRB103 37014 RPS 67129 b

permitted production limit; (iii) 1 annual all spirits 2 transferred shall be subject to Article VIII of this Act; (iv) a written record shall be maintained by the distiller and 3 distilling pub specifying the amount, date of delivery, and 4 5 receipt of the product by the distilling pub; and (v) the 6 distilling pub shall be located no farther than 80 miles from 7 the class 2 craft distiller's licensed location.

8 A class 2 craft distiller shall, prior to transferring 9 spirits to a distilling pub wholly owned by the class 2 craft 10 distiller, furnish a written notice to the State Commission of 11 intent to transfer spirits setting forth the name and address 12 of the distilling pub and shall annually submit to the State 13 Commission a verified report identifying the total gallons of spirits transferred to the distilling pub wholly owned by the 14 15 class 2 craft distiller.

A class 2 craft distiller license holder may store such spirits at a non-contiguous licensed location, but at no time shall a class 2 craft distiller license holder directly or indirectly produce in the aggregate more than 100,000 gallons of spirits per year.

21 Class 12. A class 1 brewer license, which may only be 22 issued to a licensed brewer or licensed non-resident dealer, 23 shall allow the manufacture of up to 930,000 gallons of beer 24 per year provided that the class 1 brewer licensee does not 25 manufacture more than a combined 930,000 gallons of beer per 26 year and is not a member of or affiliated with, directly or SB3359 Engrossed - 11 - LRB103 37014 RPS 67129 b

indirectly, a manufacturer that produces more than 930,000 1 2 gallons of beer per year. If a class 1 brewer manufactures 3 spirits, it shall also obtain and shall only be eligible for, in addition to any current license, a class 1 craft distiller 4 5 license, shall not manufacture more than 50,000 gallons of spirits per year, and shall not be a member of or affiliated 6 7 with, directly or indirectly, a manufacturer that produces 8 more than 50,000 gallons of spirits per year. If a class 1 9 craft brewer manufactures wine, it shall also obtain and shall 10 only be eligible for, in addition to any current license, a 11 first-class wine-manufacturer license or а first-class 12 wine-maker's license, shall not manufacture more than 50,000 gallons of wine per year, and shall not be a member of or 13 14 affiliated with, directly or indirectly, a manufacturer that 15 produces more than 50,000 gallons of wine per year. A class 1 16 brewer licensee may make sales and deliveries to importing 17 distributors and distributors and to retail licensees in accordance with the conditions set forth in paragraph (18) of 18 subsection (a) of Section 3-12 of this Act. If the State 19 20 Commission provides prior approval, a class 1 brewer may annually transfer up to 930,000 gallons of beer manufactured 21 22 by that class 1 brewer to the premises of a licensed class 1 23 brewer wholly owned and operated by the same licensee.

Class 13. A class 2 brewer license, which may only be issued to a licensed brewer or licensed non-resident dealer, shall allow the manufacture of up to 3,720,000 gallons of beer

per year provided that the class 2 brewer licensee does not 1 2 manufacture more than a combined 3,720,000 gallons of beer per 3 year and is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 4 5 gallons of beer per year. If a class 2 brewer manufactures 6 spirits, it shall also obtain and shall only be eliqible for, in addition to any current license, a class 2 craft distiller 7 8 license, shall not manufacture more than 100,000 gallons of 9 spirits per year, and shall not be a member of or affiliated 10 with, directly or indirectly, a manufacturer that produces 11 more than 100,000 gallons of spirits per year. If a class 2 12 craft distiller manufactures wine, it shall also obtain and shall only be eligible for, in addition to any current 13 license, a second-class wine-maker's license, 14 shall not 15 manufacture more than 150,000 gallons of wine per year, and 16 shall not be a member of or affiliated with, directly or 17 indirectly, a manufacturer that produces more than 150,000 gallons of wine a year. A class 2 brewer licensee may make 18 19 sales and deliveries to importing distributors and 20 distributors, but shall not make sales or deliveries to any 21 other licensee. If the State Commission provides prior 22 approval, a class 2 brewer licensee may annually transfer up 23 to 3,720,000 gallons of beer manufactured by that class 2 24 brewer licensee to the premises of a licensed class 2 brewer 25 wholly owned and operated by the same licensee.

26

A class 2 brewer may transfer beer to a brew pub wholly

SB3359 Engrossed - 13 - LRB103 37014 RPS 67129 b

owned and operated by the class 2 brewer subject to the 1 2 following limitations and restrictions: (i) the transfer shall 3 not annually exceed more than 31,000 gallons; (ii) the annual amount transferred shall reduce the brew pub's annual 4 5 permitted production limit; (iii) all beer transferred shall be subject to Article VIII of this Act; (iv) a written record 6 7 shall be maintained by the brewer and brew pub specifying the 8 amount, date of delivery, and receipt of the product by the 9 brew pub; and (v) the brew pub shall be located no farther than 80 miles from the class 2 brewer's licensed location. 10

11 A class 2 brewer shall, prior to transferring beer to a 12 brew pub wholly owned by the class 2 brewer, furnish a written 13 notice to the State Commission of intent to transfer beer 14 setting forth the name and address of the brew pub and shall 15 annually submit to the State Commission a verified report 16 identifying the total gallons of beer transferred to the brew 17 pub wholly owned by the class 2 brewer.

Class 14. A class 3 brewer license, which may be issued to 18 19 a brewer or a non-resident dealer, shall allow the manufacture 20 of no more than 465,000 gallons of beer per year and no more 21 than 155,000 gallons at a single brewery premises, and shall 22 allow the sale of no more than 6,200 gallons of beer from each 23 in-state or out-of-state class 3 brewery premises, or 18,600 24 gallons in the aggregate, to retail licensees, class 1 25 brewers, class 2 brewers, and class 3 brewers as long as the class 3 brewer licensee does not manufacture more than a 26

SB3359 Engrossed - 14 - LRB103 37014 RPS 67129 b

combined 465,000 gallons of beer per year and is not a member 1 2 of or affiliated with, directly or indirectly, a manufacturer that produces more than 465,000 gallons of beer per year to 3 make sales to importing distributors, distributors, retail 4 5 licensees, brewers, class 1 brewers, class 2 brewers, and class 3 brewers in accordance with the conditions set forth in 6 paragraph (20) of subsection (a) of Section 3-12. If the State 7 8 Commission provides prior approval, a class 3 brewer may 9 annually transfer up to 155,000 gallons of beer manufactured 10 by that class 3 brewer to the premises of a licensed class 3 11 brewer wholly owned and operated by the same licensee. A class 12 3 brewer shall manufacture beer at the brewer's class 3 designated licensed premises, and may sell beer as otherwise 13 14 provided in this Act.

(a-1) A manufacturer which is licensed in this State to 15 make sales or deliveries of alcoholic liquor to licensed 16 17 distributors or importing distributors and which enlists agents, representatives, or individuals acting on its behalf 18 who contact licensed retailers on a regular and continual 19 20 basis in this State must register those agents, 21 representatives, or persons acting on its behalf with the 22 State Commission.

Registration of agents, representatives, or persons acting on behalf of a manufacturer is fulfilled by submitting a form to the Commission. The form shall be developed by the Commission and shall include the name and address of the SB3359 Engrossed - 15 - LRB103 37014 RPS 67129 b

applicant, the name and address of the manufacturer he or she 1 2 represents, the territory or areas assigned to sell to or 3 discuss pricing terms of alcoholic liquor, and any other questions deemed appropriate and necessary. All statements in 4 5 the forms required to be made by law or by rule shall be deemed material, and any person who knowingly misstates any material 6 7 fact under oath in an application is guilty of a Class B 8 misdemeanor. Fraud, misrepresentation, false statements, 9 misleading statements, evasions, or suppression of material 10 facts in the securing of a registration are grounds for 11 suspension or revocation of the registration. The State 12 Commission shall post a list of registered agents on the 13 Commission's website.

(b) A distributor's license shall allow (i) the wholesale 14 15 purchase and storage of alcoholic liquors and sale of 16 alcoholic liquors to licensees in this State and to persons 17 without the State, as may be permitted by law; (ii) the sale of beer, cider, mead, or any combination thereof to brewers, 18 19 class 1 brewers, and class 2 brewers that, pursuant to 20 subsection (e) of Section 6-4 of this Act, sell beer, cider, mead, or any combination thereof to non-licensees at their 21 22 breweries; (iii) the sale of vermouth to class 1 craft 23 distillers and class 2 craft distillers that, pursuant to 24 subsection (e) of Section 6-4 of this Act, sell spirits, 25 vermouth, or both spirits and vermouth to non-licensees at 26 their distilleries; or (iv) as otherwise provided in this Act.

SB3359 Engrossed - 16 - LRB103 37014 RPS 67129 b

No person licensed as a distributor shall be granted a
 non-resident dealer's license.

(c) An importing distributor's license may be issued to 3 and held by those only who are duly licensed distributors, 4 5 upon the filing of an application by a duly licensed distributor, with the Commission and the Commission shall, 6 without the payment of any fee, immediately issue such 7 8 importing distributor's license to the applicant, which shall 9 allow the importation of alcoholic liquor by the licensee into 10 this State from any point in the United States outside this 11 State, and the purchase of alcoholic liquor in barrels, casks 12 or other bulk containers and the bottling of such alcoholic liquors before resale thereof, but all bottles or containers 13 14 so filled shall be sealed, labeled, stamped and otherwise made to comply with all provisions, rules and regulations governing 15 16 manufacturers in the preparation and bottling of alcoholic 17 liquors. The importing distributor's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed 18 non-resident dealers and foreign importers only. No person 19 20 licensed as an importing distributor shall be granted a non-resident dealer's license. 21

(d) A retailer's license shall allow the licensee to sell and offer for sale at retail, only in the premises specified in the license, alcoholic liquor for use or consumption, but not for resale in any form. Except as provided in Section 6-16, 6-29, or 6-29.1, nothing in this Act shall deny, limit,

remove, or restrict the ability of a holder of a retailer's 1 2 license to transfer or ship alcoholic liquor to the purchaser 3 for use or consumption subject to any applicable local law or ordinance. For the purposes of this Section, "shipping" means 4 5 the movement of alcoholic liquor from a licensed retailer to a consumer via a common carrier. Except as provided in Section 6 7 6-16, 6-29, or 6-29.1 and subject to the delivery requirements of Sections 6-28.9 and 6-28.10, nothing in this Act shall 8 9 deny, limit, remove, or restrict the ability of a holder of a 10 retailer's license to deliver alcoholic liquor to the 11 purchaser for use or consumption. The delivery shall be made 12 only within 12 hours from the time the alcoholic liquor leaves the licensed premises of the retailer for delivery. For the 13 purposes of this Section, "delivery" means the movement of 14 15 alcoholic liquor purchased from a licensed retailer to a 16 consumer through the following methods:

17

18

(1) delivery within licensed retailer's parking lot, including curbside, for pickup by the consumer;

19 (2)delivery by an owner, officer, director, 20 shareholder, or employee of the licensed retailer; or

21

(3) delivery by a third-party retailer delivery 22 licensee contractor, independent contractor, or agent with 23 licensed retailer has contracted to whom the make 24 deliveries of alcoholic liquors.

Under subsection (1), (2), or (3), delivery shall not 25 26 include the use of common carriers.

SB3359 Engrossed - 18 - LRB103 37014 RPS 67129 b

Any retail license issued to a manufacturer shall only 1 2 permit the manufacturer to sell beer at retail on the premises 3 actually occupied by the manufacturer. For the purpose of further describing the type of business conducted at a retail 4 5 licensed premises, a retailer's licensee may be designated by an on premise consumption 6 the State Commission as (i) retailer, (ii) an off premise sale retailer, or (iii) a 7 8 combined on premise consumption and off premise sale retailer.

9 Except for a municipality with a population of more than 10 1,000,000 inhabitants, a home rule unit may not regulate the 11 delivery of alcoholic liquor inconsistent with this 12 subsection. This paragraph is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on 13 the concurrent exercise by home rule units of powers and 14 15 functions exercised by the State. A non-home rule municipality 16 may not regulate the delivery of alcoholic liquor inconsistent 17 with this subsection.

Notwithstanding any other provision of this subsection (d), a retail licensee may sell alcoholic liquors to a special event retailer licensee for resale to the extent permitted under subsection (e).

(e) A special event retailer's license (not-for-profit) shall permit the licensee to purchase alcoholic liquors from an Illinois licensed distributor (unless the licensee purchases less than \$500 of alcoholic liquors for the special event, in which case the licensee may purchase the alcoholic SB3359 Engrossed - 19 - LRB103 37014 RPS 67129 b

liquors from a licensed retailer) and shall allow the licensee 1 2 to sell and offer for sale, at retail, alcoholic liquors for 3 use or consumption, but not for resale in any form and only at the location and on the specific dates designated for the 4 5 special event in the license. An applicant for a special event retailer license must (i) furnish with the application: (A) a 6 7 resale number issued under Section 2c of the Retailers' 8 Occupation Tax Act or evidence that the applicant is 9 registered under Section 2a of the Retailers' Occupation Tax 10 Act, (B) a current, valid exemption identification number 11 issued under Section 1g of the Retailers' Occupation Tax Act, 12 and a certification to the Commission that the purchase of alcoholic liquors will be a tax-exempt purchase, or (C) a 13 14 statement that the applicant is not registered under Section 15 2a of the Retailers' Occupation Tax Act, does not hold a resale number under Section 2c of the Retailers' Occupation Tax Act, 16 17 and does not hold an exemption number under Section 1q of the Retailers' Occupation Tax Act, in which event the Commission 18 shall set forth on the special event retailer's license a 19 statement to that effect; (ii) submit with the application 20 proof satisfactory to the State Commission that the applicant 21 22 will provide dram shop liability insurance in the maximum 23 and (iii) show proof satisfactory to the State limits; 24 Commission that the applicant has obtained local authority 25 approval.

26

Nothing in this Act prohibits an Illinois licensed

SB3359 Engrossed - 20 - LRB103 37014 RPS 67129 b

distributor from offering credit or a refund for unused, salable alcoholic liquors to a holder of a special event retailer's license or the special event retailer's licensee from accepting the credit or refund of alcoholic liquors at the conclusion of the event specified in the license.

(f) A railroad license shall permit the licensee to import 6 alcoholic liquors into this State from any point in the United 7 States outside this State and to store such alcoholic liquors 8 9 in this State; to make wholesale purchases of alcoholic 10 liquors directly from manufacturers, foreign importers, 11 distributors and importing distributors from within or outside 12 this State; and to store such alcoholic liquors in this State; provided that the above powers may be exercised only in 13 14 connection with the importation, purchase or storage of 15 alcoholic liquors to be sold or dispensed on a club, buffet, 16 lounge or dining car operated on an electric, gas or steam 17 railway in this State; and provided further, that railroad licensees exercising the above powers shall be subject to all 18 provisions of Article VIII of this Act as applied to importing 19 20 distributors. A railroad license shall also permit the 21 licensee to sell or dispense alcoholic liquors on any club, 22 buffet, lounge or dining car operated on an electric, gas or 23 steam railway regularly operated by a common carrier in this 24 State, but shall not permit the sale for resale of any 25 alcoholic liquors to any licensee within this State. A license shall be obtained for each car in which such sales are made. 26

SB3359 Engrossed - 21 - LRB103 37014 RPS 67129 b

1 (g) A boat license shall allow the sale of alcoholic 2 liquor in individual drinks, on any passenger boat regularly 3 operated as a common carrier on navigable waters in this State 4 or on any riverboat operated under the Illinois Gambling Act, 5 which boat or riverboat maintains a public dining room or 6 restaurant thereon.

(h) A non-beverage user's license shall allow the licensee 7 8 to purchase alcoholic liquor from a licensed manufacturer or 9 importing distributor, without the imposition of any tax upon 10 the business of such licensed manufacturer or importing 11 distributor as to such alcoholic liquor to be used by such 12 licensee solely for the non-beverage purposes set forth in 13 subsection (a) of Section 8-1 of this Act, and such licenses shall be divided and classified and shall permit the purchase, 14 possession and use of limited and stated quantities of 15 16 alcoholic liquor as follows:

17	Class 1, not to exceed		500 gallons
18	Class 2, not to exceed	1	,000 gallons
19	Class 3, not to exceed	5	,000 gallons
20	Class 4, not to exceed	10	,000 gallons
21	Class 5, not to exceed		,000 gallons

(i) A wine-maker's premises license shall allow a licensee that concurrently holds a first-class wine-maker's license to sell and offer for sale at retail in the premises specified in such license not more than 50,000 gallons of the first-class wine-maker's wine that is made at the first-class wine-maker's

licensed premises per year for use or consumption, but not for 1 2 resale in any form. A wine-maker's premises license shall 3 allow a licensee who concurrently holds a second-class wine-maker's license to sell and offer for sale at retail in 4 5 the premises specified in such license up to 100,000 gallons of the second-class wine-maker's wine that is made at the 6 second-class wine-maker's licensed premises per year for use 7 8 or consumption but not for resale in any form. A first-class 9 wine-maker that concurrently holds a class 1 brewer license or 10 a class 1 craft distiller license shall not be eligible to hold 11 a wine-maker's premises license. A wine-maker's premises 12 license shall allow a licensee that concurrently holds a 13 wine-maker's license first-class or а second-class wine-maker's license to sell and offer for sale at retail at 14 15 the premises specified in the wine-maker's premises license, 16 for use or consumption but not for resale in any form, any 17 beer, wine, and spirits purchased from a licensed distributor. Upon approval from the State Commission, a wine-maker's 18 premises license shall allow the licensee to sell and offer 19 20 for sale at (i) the wine-maker's licensed premises and (ii) at up to 2 additional locations for use and consumption and not 21 22 for resale. Each location shall require additional licensing 23 per location as specified in Section 5-3 of this Act. A 24 wine-maker's premises licensee shall secure liquor liability 25 insurance coverage in an amount at least equal to the maximum 26 liability amounts set forth in subsection (a) of Section 6-21

SB3359 Engrossed - 23 - LRB103 37014 RPS 67129 b

1 of this Act.

2 (j) An airplane license shall permit the licensee to 3 import alcoholic liquors into this State from any point in the United States outside this State and to store such alcoholic 4 5 liquors in this State; to make wholesale purchases of 6 alcoholic liquors directly from manufacturers, foreign 7 importers, distributors and importing distributors from within or outside this State; and to store such alcoholic liquors in 8 9 this State; provided that the above powers may be exercised 10 only in connection with the importation, purchase or storage 11 of alcoholic liquors to be sold or dispensed on an airplane; 12 and provided further, that airplane licensees exercising the above powers shall be subject to all provisions of Article 13 14 VIII of this Act as applied to importing distributors. An 15 airplane licensee shall also permit the sale or dispensing of 16 alcoholic liquors on any passenger airplane regularly operated 17 by a common carrier in this State, but shall not permit the sale for resale of any alcoholic liquors to any licensee 18 within this State. A single airplane license shall be required 19 20 of an airline company if liquor service is provided on board aircraft in this State. The annual fee for such license shall 21 22 be as determined in Section 5-3.

(k) A foreign importer's license shall permit such licensee to purchase alcoholic liquor from Illinois licensed non-resident dealers only, and to import alcoholic liquor other than in bulk from any point outside the United States and SB3359 Engrossed - 24 - LRB103 37014 RPS 67129 b

to sell such alcoholic liquor to Illinois licensed importing 1 2 distributors and to no one else in Illinois; provided that (i) 3 the foreign importer registers with the State Commission every brand of alcoholic liquor that it proposes to sell to Illinois 4 5 licensees during the license period, (ii) the foreign importer complies with all of the provisions of Section 6-9 of this Act 6 with respect to registration of such Illinois licensees as may 7 8 be granted the right to sell such brands at wholesale, and 9 (iii) the foreign importer complies with the provisions of 10 Sections 6-5 and 6-6 of this Act to the same extent that these 11 provisions apply to manufacturers.

12 (i) A broker's license shall be required of all (1) persons who solicit orders for, offer to sell or offer to 13 14 supply alcoholic liquor to retailers in the State of Illinois, 15 or who offer to retailers to ship or cause to be shipped or to make contact with distillers, craft distillers, rectifiers, 16 17 brewers or manufacturers or any other party within or without the State of Illinois in order that alcoholic liquors be 18 19 shipped to a distributor, importing distributor or foreign 20 importer, whether such solicitation or offer is consummated within or without the State of Illinois. 21

No holder of a retailer's license issued by the Illinois Liquor Control Commission shall purchase or receive any alcoholic liquor, the order for which was solicited or offered for sale to such retailer by a broker unless the broker is the holder of a valid broker's license. SB3359 Engrossed - 25 - LRB103 37014 RPS 67129 b

1 The broker shall, upon the acceptance by a retailer of the 2 broker's solicitation of an order or offer to sell or supply or 3 deliver or have delivered alcoholic liquors, promptly forward 4 to the Illinois Liquor Control Commission a notification of 5 said transaction in such form as the Commission may by 6 regulations prescribe.

7 (ii) A broker's license shall be required of a person 8 within this State, other than a retail licensee, who, for a fee 9 or commission, promotes, solicits, or accepts orders for 10 alcoholic liquor, for use or consumption and not for resale, 11 to be shipped from this State and delivered to residents 12 outside of this State by an express company, common carrier, or contract carrier. This Section does not apply to any person 13 14 who promotes, solicits, or accepts orders for wine as 15 specifically authorized in Section 6-29 of this Act.

A broker's license under this subsection (1) shall not entitle the holder to buy or sell any alcoholic liquors for his own account or to take or deliver title to such alcoholic liquors.

This subsection (1) shall not apply to distributors, employees of distributors, or employees of a manufacturer who has registered the trademark, brand or name of the alcoholic liquor pursuant to Section 6-9 of this Act, and who regularly sells such alcoholic liquor in the State of Illinois only to its registrants thereunder.

26 Any agent, representative, or person subject to

SB3359 Engrossed - 26 - LRB103 37014 RPS 67129 b

registration pursuant to subsection (a-1) of this Section
 shall not be eligible to receive a broker's license.

(m) A non-resident dealer's license shall permit such 3 licensee to ship into and warehouse alcoholic liquor into this 4 5 State from any point outside of this State, and to sell such alcoholic liquor to Illinois licensed foreign importers and 6 7 importing distributors and to no one else in this State; provided that (i) said non-resident dealer shall register with 8 9 the Illinois Liquor Control Commission each and every brand of 10 alcoholic liquor which it proposes to sell to Illinois 11 licensees during the license period, (ii) it shall comply with 12 all of the provisions of Section 6-9 hereof with respect to 13 registration of such Illinois licensees as may be granted the right to sell such brands at wholesale by duly filing such 14 registration statement, thereby authorizing the non-resident 15 16 dealer to proceed to sell such brands at wholesale, and (iii) 17 the non-resident dealer shall comply with the provisions of Sections 6-5 and 6-6 of this Act to the same extent that these 18 19 provisions apply to manufacturers. No person licensed as a 20 non-resident dealer shall be granted a distributor's or 21 importing distributor's license.

(n) A brew pub license shall allow the licensee to only (i) manufacture up to 155,000 gallons of beer per year only on the premises specified in the license, (ii) make sales of the beer manufactured on the premises or, with the approval of the Commission, beer manufactured on another brew pub licensed SB3359 Engrossed - 27 - LRB103 37014 RPS 67129 b

premises that is wholly owned and operated by the same 1 licensee to importing distributors, distributors, and to 2 3 non-licensees for use and consumption, (iii) store the beer upon the premises, (iv) sell and offer for sale at retail from 4 5 the licensed premises for off-premises consumption no more than 155,000 gallons per year so long as such sales are only 6 7 made in-person, (v) sell and offer for sale at retail for use 8 and consumption on the premises specified in the license any 9 form of alcoholic liquor purchased from a licensed distributor 10 or importing distributor, (vi) with the prior approval of the 11 Commission, annually transfer no more than 155,000 gallons of 12 beer manufactured on the premises to a licensed brew pub wholly owned and operated by the same licensee, and (vii) 13 14 notwithstanding item (i) of this subsection, brew pubs wholly 15 owned and operated by the same licensee may combine each 16 location's production limit of 155,000 gallons of beer per 17 year and allocate the aggregate total between the wholly owned, operated, and licensed locations. 18

A brew pub licensee shall not under any circumstance sell or offer for sale beer manufactured by the brew pub licensee to retail licensees.

A person who holds a class 2 brewer license may simultaneously hold a brew pub license if the class 2 brewer (i) does not, under any circumstance, sell or offer for sale beer manufactured by the class 2 brewer to retail licensees; (ii) does not hold more than 3 brew pub licenses in this State; SB3359 Engrossed - 28 - LRB103 37014 RPS 67129 b

(iii) does not manufacture more than a combined 3,720,000 gallons of beer per year, including the beer manufactured at the brew pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or any other alcoholic liquor.

7 Notwithstanding any other provision of this Act, a 8 licensed brewer, class 2 brewer, or non-resident dealer who 9 before July 1, 2015 manufactured less than 3,720,000 gallons 10 of beer per year and held a brew pub license on or before July 11 1, 2015 may (i) continue to qualify for and hold that brew pub 12 license for the licensed premises and (ii) manufacture more than 3,720,000 gallons of beer per year and continue to 13 qualify for and hold that brew pub license if that brewer, 14 15 class 2 brewer, or non-resident dealer does not simultaneously 16 hold a class 1 brewer license and is not a member of or 17 affiliated with, directly or indirectly, a manufacturer that produces more than 3,720,000 gallons of beer per year or that 18 19 produces any other alcoholic liquor.

A brew pub licensee may apply for a class 3 brewer license and, upon meeting all applicable qualifications of this Act and relinquishing all commonly owned brew pub or retail licenses, shall be issued a class 3 brewer license. Nothing in this Act shall prohibit the issuance of a class 3 brewer license if the applicant:

26

(1) has a valid retail license on or before May 1,

SB3359 Engrossed

- 1 2021;
- 2 (2) has an ownership interest in at least two brew
 3 pubs licenses on or before May 1, 2021;

4 (3) the brew pub licensee applies for a class 3 brewer
5 license on or before October 1, 2022 and relinquishes all
6 commonly owned brew pub licenses; and

7 (4) relinquishes all commonly owned retail licenses on
8 or before December 31, 2022.

9 If a brew pub licensee is issued a class 3 brewer license, 10 the class 3 brewer license shall expire on the same date as the 11 existing brew pub license and the State Commission shall not 12 require a class 3 brewer licensee to obtain a brewer license, 13 or in the alternative to pay a fee for a brewer license, until 14 the date the brew pub license of the applicant would have 15 expired.

(o) A caterer retailer license shall allow the holder to 16 17 serve alcoholic liquors as an incidental part of a food service that serves prepared meals which excludes the serving 18 of snacks as the primary meal, either on or off-site whether 19 20 licensed or unlicensed. A caterer retailer license shall allow the holder, a distributor, or an importing distributor to 21 22 transfer any inventory to and from the holder's retail 23 premises and shall allow the holder to purchase alcoholic liquor from a distributor or importing distributor to be 24 25 delivered directly to an off-site event.

26 Nothing in this Act prohibits a distributor or importing

SB3359 Engrossed - 30 - LRB103 37014 RPS 67129 b

distributor from offering credit or a refund for unused, 1 2 salable beer to a holder of a caterer retailer license or a 3 caterer retailer licensee from accepting a credit or refund for unused, salable beer, in the event an act of God is the 4 5 sole reason an off-site event is cancelled and if: (i) the holder of a caterer retailer license has not transferred 6 alcoholic liquor from its caterer retailer premises to an 7 8 off-site location; (ii) the distributor or importing 9 distributor offers the credit or refund for the unused, 10 salable beer that it delivered to the off-site premises and 11 not for any unused, salable beer that the distributor or 12 importing distributor delivered to the caterer retailer's 13 premises; and (iii) the unused, salable beer would likely spoil if transferred to the caterer retailer's premises. A 14 caterer retailer license shall allow the holder to transfer 15 16 any inventory from any off-site location to its caterer 17 retailer premises at the conclusion of an off-site event or engage a distributor or importing distributor to transfer any 18 inventory from any off-site location to its caterer retailer 19 20 premises at the conclusion of an off-site event, provided that the distributor or importing distributor issues bona fide 21 22 charges to the caterer retailer licensee for fuel, labor, and 23 delivery and the distributor or importing distributor collects payment from the caterer retailer licensee prior to the 24 25 distributor or importing distributor transferring inventory to 26 the caterer retailer premises.

SB3359 Engrossed - 31 - LRB103 37014 RPS 67129 b

For purposes of this subsection (o), an "act of God" means an unforeseeable event, such as a rain or snow storm, hail, a flood, or a similar event, that is the sole cause of the cancellation of an off-site, outdoor event.

5 (p) An auction liquor license shall allow the licensee to sell and offer for sale at auction wine and spirits for use or 6 consumption, or for resale by an Illinois liquor licensee in 7 8 accordance with provisions of this Act. An auction liquor 9 license will be issued to a person and it will permit the 10 auction liquor licensee to hold the auction anywhere in the 11 State. An auction liquor license must be obtained for each 12 auction at least 14 days in advance of the auction date.

13 (q) A special use permit license shall allow an Illinois licensed retailer to transfer a portion of its alcoholic 14 15 liquor inventory from its retail licensed premises to the 16 premises specified in the license hereby created; to purchase 17 alcoholic liquor from a distributor or importing distributor to be delivered directly to the location specified in the 18 license hereby created; and to sell or offer for sale at 19 20 retail, only in the premises specified in the license hereby created, the transferred or delivered alcoholic liquor for use 21 22 or consumption, but not for resale in any form. A special use 23 permit license may be granted for the following time periods: 24 one day or less; 2 or more days to a maximum of 15 days per 25 location in any 12-month period. An applicant for the special 26 use permit license must also submit with the application proof SB3359 Engrossed - 32 - LRB103 37014 RPS 67129 b

1 satisfactory to the State Commission that the applicant will 2 provide dram shop liability insurance to the maximum limits 3 and have local authority approval.

A special use permit license shall allow the holder to 4 5 transfer any inventory from the holder's special use premises to its retail premises at the conclusion of the special use 6 7 event or engage a distributor or importing distributor to 8 transfer any inventory from the holder's special use premises 9 to its retail premises at the conclusion of an off-site event, 10 provided that the distributor or importing distributor issues 11 bona fide charges to the special use permit licensee for fuel, 12 labor, and delivery and the distributor or importing distributor collects payment from the retail licensee prior to 13 14 distributor or importing distributor transferring the 15 inventory to the retail premises.

16 Nothing in this Act prohibits a distributor or importing 17 distributor from offering credit or a refund for unused, salable beer to a special use permit licensee or a special use 18 permit licensee from accepting a credit or refund for unused, 19 20 salable beer at the conclusion of the event specified in the license if: (i) the holder of the special use permit license 21 22 has not transferred alcoholic liquor from its retail licensed 23 premises to the premises specified in the special use permit license; (ii) the distributor or importing distributor offers 24 25 the credit or refund for the unused, salable beer that it 26 delivered to the premises specified in the special use permit

SB3359 Engrossed - 33 - LRB103 37014 RPS 67129 b

1 license and not for any unused, salable beer that the 2 distributor or importing distributor delivered to the 3 retailer's premises; and (iii) the unused, salable beer would 4 likely spoil if transferred to the retailer premises.

5 (r) A winery shipper's license shall allow a person with a 6 first-class or second-class wine manufacturer's license, a 7 first-class or second-class wine-maker's license, or a limited wine manufacturer's license or who is licensed to make wine 8 9 under the laws of another state to ship wine made by that 10 licensee directly to a resident of this State who is 21 years 11 of age or older for that resident's personal use and not for 12 resale. Prior to receiving a winery shipper's license, an applicant for the license must provide the Commission with a 13 14 true copy of its current license in any state in which it is 15 licensed as a manufacturer of wine. An applicant for a winery 16 shipper's license must also complete an application form that 17 provides any other information the Commission deems necessary. The application form shall include all addresses from which 18 19 the applicant for a winery shipper's license intends to ship 20 wine, including the name and address of any third party, 21 except for a common carrier, authorized to ship wine on behalf 22 of the manufacturer. The application form shall include an 23 acknowledgement consenting to the jurisdiction of the 24 Commission, the Illinois Department of Revenue, and the courts 25 of this State concerning the enforcement of this Act and any 26 related laws, rules, and regulations, including authorizing

the Department of Revenue and the Commission to conduct audits 1 2 for the purpose of ensuring compliance with Public Act 95-634, 3 and an acknowledgement that the wine manufacturer is in compliance with Section 6-2 of this Act. Any third party, 4 5 except for a common carrier, authorized to ship wine on behalf of a first-class or second-class wine manufacturer's licensee, 6 7 a first-class or second-class wine-maker's licensee, a limited 8 wine manufacturer's licensee, or a person who is licensed to 9 make wine under the laws of another state shall also be 10 disclosed by the winery shipper's licensee, and a copy of the 11 written appointment of the third-party wine provider, except 12 for a common carrier, to the wine manufacturer shall be filed with the State Commission as a supplement to the winery 13 14 shipper's license application or any renewal thereof. The 15 winery shipper's license holder shall affirm under penalty of 16 perjury, as part of the winery shipper's license application 17 or renewal, that he or she only ships wine, either directly or indirectly through a third-party provider, from the licensee's 18 19 own production.

Except for a common carrier, a third-party provider shipping wine on behalf of a winery shipper's license holder is the agent of the winery shipper's license holder and, as such, a winery shipper's license holder is responsible for the acts and omissions of the third-party provider acting on behalf of the license holder. A third-party provider, except for a common carrier, that engages in shipping wine into SB3359 Engrossed - 35 - LRB103 37014 RPS 67129 b

Illinois on behalf of a winery shipper's license holder shall 1 2 consent to the jurisdiction of the State Commission and the 3 State. Any third-party, except for a common carrier, holding such an appointment shall, by February 1 of each calendar year 4 5 and upon request by the State Commission or the Department of Revenue, file with the State Commission a statement detailing 6 each shipment made to an Illinois resident. The statement 7 8 shall include the name and address of the third-party provider 9 filing the statement, the time period covered by the 10 statement, and the following information:

11

(1) the name, address, and license number of the winery shipper on whose behalf the shipment was made;

13

14

12

(2) the quantity of the products delivered; and

(3) the date and address of the shipment.

15 If the Department of Revenue or the State Commission requests 16 a statement under this paragraph, the third-party provider 17 must provide that statement no later than 30 days after the request is made. Any books, records, supporting papers, and 18 19 documents containing information and data relating to a 20 statement under this paragraph shall be kept and preserved for a period of 3 years, unless their destruction sooner is 21 22 authorized, in writing, by the Director of Revenue, and shall 23 be open and available to inspection by the Director of Revenue or the State Commission or any duly authorized officer, agent, 24 25 or employee of the State Commission or the Department of 26 Revenue, at all times during business hours of the day. Any SB3359 Engrossed - 36 - LRB103 37014 RPS 67129 b

1 person who violates any provision of this paragraph or any 2 rule of the State Commission for the administration and 3 enforcement of the provisions of this paragraph is guilty of a 4 Class C misdemeanor. In case of a continuing violation, each 5 day's continuance thereof shall be a separate and distinct 6 offense.

7 The State Commission shall adopt rules as soon as 8 practicable to implement the requirements of Public Act 99-904 9 and shall adopt rules prohibiting any such third-party 10 appointment of a third-party provider, except for a common 11 carrier, that has been deemed by the State Commission to have 12 violated the provisions of this Act with regard to any winery shipper licensee. 13

A winery shipper licensee must pay to the Department of 14 15 Revenue the State liquor gallonage tax under Section 8-1 for 16 all wine that is sold by the licensee and shipped to a person 17 in this State. For the purposes of Section 8-1, a winery shipper licensee shall be taxed in the same manner as a 18 19 manufacturer of wine. A licensee who is not otherwise required 20 to register under the Retailers' Occupation Tax Act must register under the Use Tax Act to collect and remit use tax to 21 22 the Department of Revenue for all gallons of wine that are sold 23 by the licensee and shipped to persons in this State. If a 24 licensee fails to remit the tax imposed under this Act in 25 accordance with the provisions of Article VIII of this Act, 26 the winery shipper's license shall be revoked in accordance

SB3359 Engrossed - 37 - LRB103 37014 RPS 67129 b

with the provisions of Article VII of this Act. If a licensee fails to properly register and remit tax under the Use Tax Act or the Retailers' Occupation Tax Act for all wine that is sold by the winery shipper and shipped to persons in this State, the winery shipper's license shall be revoked in accordance with the provisions of Article VII of this Act.

A winery shipper licensee must collect, maintain, and submit to the Commission on a semi-annual basis the total number of cases per resident of wine shipped to residents of this State. A winery shipper licensed under this subsection (r) must comply with the requirements of Section 6-29 of this Act.

Pursuant to paragraph (5.1) or (5.3) of subsection (a) of Section 3-12, the State Commission may receive, respond to, and investigate any complaint and impose any of the remedies specified in paragraph (1) of subsection (a) of Section 3-12.

As used in this subsection, "third-party provider" means any entity that provides fulfillment house services, including warehousing, packaging, distribution, order processing, or shipment of wine, but not the sale of wine, on behalf of a licensed winery shipper.

(s) A craft distiller tasting permit license shall allow an Illinois licensed class 1 craft distiller or class 2 craft distiller to transfer a portion of its alcoholic liquor inventory from its class 1 craft distiller or class 2 craft distiller licensed premises to the premises specified in the SB3359 Engrossed - 38 - LRB103 37014 RPS 67129 b

license hereby created and to conduct a sampling, only in the 1 2 premises specified in the license hereby created, of the 3 transferred alcoholic liquor in accordance with subsection (c) of Section 6-31 of this Act. The transferred alcoholic liquor 4 5 may not be sold or resold in any form. An applicant for the 6 craft distiller tasting permit license must also submit with 7 the application proof satisfactory to the State Commission 8 that the applicant will provide dram shop liability insurance 9 to the maximum limits and have local authority approval.

10 (t) A brewer warehouse permit may be issued to the holder 11 of a class 1 brewer license or a class 2 brewer license. If the 12 holder of the permit is a class 1 brewer licensee, the brewer warehouse permit shall allow the holder to store or warehouse 13 14 up to 930,000 gallons of tax-determined beer manufactured by 15 the holder of the permit at the premises specified on the 16 permit. If the holder of the permit is a class 2 brewer 17 licensee, the brewer warehouse permit shall allow the holder to 3,720,000 gallons 18 store or warehouse up to of 19 tax-determined beer manufactured by the holder of the permit 20 at the premises specified on the permit. Sales to 21 non-licensees are prohibited at the premises specified in the 22 brewer warehouse permit.

(u) A distilling pub license shall allow the licensee to only (i) manufacture up to 5,000 gallons of spirits per year only on the premises specified in the license, (ii) make sales of the spirits manufactured on the premises or, with the SB3359 Engrossed - 39 - LRB103 37014 RPS 67129 b

approval of the State Commission, spirits manufactured on 1 2 another distilling pub licensed premises that is wholly owned 3 and operated by the same licensee to importing distributors and distributors and to non-licensees for use and consumption, 4 5 (iii) store the spirits upon the premises, (iv) sell and offer for sale at retail from the licensed premises for off-premises 6 consumption no more than 5,000 gallons per year so long as such 7 8 sales are only made in-person, (v) sell and offer for sale at 9 retail for use and consumption on the premises specified in 10 the license any form of alcoholic liquor purchased from a 11 licensed distributor or importing distributor, and (vi) with 12 the prior approval of the State Commission, annually transfer no more than 5,000 gallons of spirits manufactured on the 13 premises to a licensed distilling pub wholly owned and 14 15 operated by the same licensee.

A distilling pub licensee shall not under any circumstance sell or offer for sale spirits manufactured by the distilling pub licensee to retail licensees.

19 A person who holds a class 2 craft distiller license may 20 simultaneously hold a distilling pub license if the class 2 craft distiller (i) does not, under any circumstance, sell or 21 22 offer for sale spirits manufactured by the class 2 craft 23 distiller to retail licensees; (ii) does not hold more than 3 distilling pub licenses in this State; (iii) does not 24 manufacture more than a combined 100,000 gallons of spirits 25 26 per year, including the spirits manufactured at the distilling SB3359 Engrossed - 40 - LRB103 37014 RPS 67129 b

pub; and (iv) is not a member of or affiliated with, directly or indirectly, a manufacturer that produces more than 100,000 gallons of spirits per year or any other alcoholic liquor.

(v) A craft distiller warehouse permit may be issued to 4 5 the holder of a class 1 craft distiller or class 2 craft distiller license. The craft distiller warehouse permit shall 6 allow the holder to store or warehouse up to 500,000 gallons of 7 8 spirits manufactured by the holder of the permit at the 9 premises specified on the permit. Sales to non-licensees are 10 prohibited at the premises specified in the craft distiller 11 warehouse permit.

12 A beer showcase permit license shall allow (w) an 13 Illinois-licensed distributor to transfer a portion of its 14 beer inventory from its licensed premises to the premises 15 specified in the beer showcase permit license, and, in the 16 case of a class 3 brewer, transfer only beer the class 3 brewer 17 manufactures from its licensed premises to the premises specified in the beer showcase permit license; and to sell or 18 19 offer for sale at retail, only in the premises specified in the 20 beer showcase permit license, the transferred or delivered 21 beer for on or off premise consumption, but not for resale in 22 any form and to sell to non-licensees not more than 96 fluid 23 ounces of beer per person. A beer showcase permit license may 24 be granted for the following time periods: one day or less; or 25 2 or more days to a maximum of 15 days per location in any 26 12-month period. An applicant for a beer showcase permit

1 must also submit with license the application proof 2 satisfactory to the State Commission that the applicant will provide dram shop liability insurance to the maximum limits 3 4 and have local authority approval. The State Commission shall 5 require the beer showcase applicant to comply with Section 6 6-27.1.

7 (x) A third-party retailer delivery license shall authorize a person who is not licensed to sell alcoholic 8 9 liquor to deliver alcoholic liquor on behalf of a retailer 10 licensee and to deliver alcoholic liquor on behalf of or at the 11 request of an unlicensed purchaser of alcoholic liquor from a 12 retailer licensee, subject to the provisions of Sections 13 6-28.9 and 6-29.10. A third-party retailer delivery license is not required for an employee or independent contractor of a 14 person holding a third-party retailer delivery license or for 15 16 an employee of a retailer licensee who is not an independent 17 contractor of a retailer licensee. A third-party retailer delivery licensee; a third-party retailer delivery licensee's 18 19 officers, owners, and directors; and any person affiliated 20 with the third-party retailer delivery licensee's ownership may not hold a direct or indirect financial or beneficial 21 22 interest in any other business licensed under this Act, except 23 a State-licensed retailer.

24The issuance and regulation of a third-party retailer25delivery license is an exclusive power and function of the26State. A home rule or non-home rule unit may not issue or

SB3359 Engrossed - 42 - LRB103 37014 RPS 67129 b

regulate a third-party retailer delivery license. This 1 2 subsection is a denial and limitation of home rule powers and 3 functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution. 4 (Source: P.A. 101-16, eff. 6-14-19; 101-31, eff. 6-28-19; 5 101-81, eff. 7-12-19; 101-482, eff. 8-23-19; 101-517, eff. 6 7 8-23-19; 101-615, eff. 12-20-19; 101-668, eff. 1-1-22; 102-442, eff. 8-20-21; 102-1142, eff. 2-17-23.) 8

9 (235 ILCS 5/5-3) (from Ch. 43, par. 118)

10 Sec. 5-3. License fees. Except as otherwise provided 11 herein, at the time application is made to the State 12 Commission for a license of any class, the applicant shall pay 13 to the State Commission the fee hereinafter provided for the 14 kind of license applied for.

15 The fee for licenses issued by the State Commission shall 16 be as follows:

Online Initial 17 renewal 18 license 19 or 20 non-online 21 renewal 22 For a manufacturer's license: 23 Class 1. Distiller \$4,000 \$5,000 Class 2. Rectifier 4,000 5,000 24 25 Class 3. Brewer..... 1,200 1,500

1	Class 4. First-class Wine		
2	Manufacturer	750	900
3	Class 5. Second-class		
4	Wine Manufacturer	1,500	1,750
5	Class 6. First-class wine-maker	750	900
6	Class 7. Second-class wine-maker	1,500	1,750
7	Class 8. Limited Wine		
8	Manufacturer	250	350
9	Class 9. Craft Distiller	2,000	2,500
10	Class 10. Class 1 Craft Distiller	50	75
11	Class 11. Class 2 Craft Distiller	75	100
12	Class 12. Class 1 Brewer	50	75
13	Class 13. Class 2 Brewer	75	100
14	Class 14. Class 3 Brewer	25	50
15	For a Brew Pub License	1,200	1,500
16	For a Distilling Pub License	1,200	1,500
17	For a caterer retailer's license	350	500
18	For a foreign importer's license	25	25
19	For an importing distributor's		
20	license	25	25
21	For a distributor's license		
22	(11,250,000 gallons		
23	or over)	1,450	2,200
24	For a distributor's license		
25	(over 4,500,000 gallons, but		
26	under 11,250,000 gallons)	950	1,450

SB3359 Engrossed - 44 - LRB103 37014 RPS 67129 b

1	For	a distributor's license		
2		(4,500,000 gallons or under)	300	450
3	For	a non-resident dealer's license		
4		(500,000 gallons or over)		
5		or with self-distribution		
6		privileges	1,200	1,500
7	For	a non-resident dealer's license		
8		(under 500,000 gallons)	250	350
9	For	a wine-maker's premises		
10		license	250	500
11	For	a winery shipper's license		
12		(under 250,000 gallons)	200	350
13	For	a winery shipper's license		
14		(250,000 or over, but		
15		under 500,000 gallons)	750	1,000
16	For	a winery shipper's license		
17		(500,000 gallons or over)	1,200	1,500
18	For	a wine-maker's premises		
19		license, second location	500	1,000
20	For	a wine-maker's premises		
21		license, third location	500	1,000
22	For	a retailer's license	600	750
23	For	a special event retailer's		
24		license, (not-for-profit)	25	25
25	For	a beer showcase permit,		
26		one day only	100	150

2 For a special use permit license,	
3 one day only 100	150
4 2 days or more 150	250
5 For a railroad license 100	150
6 For a boat license 500	1,000
7 For an airplane license, times the	
8 licensee's maximum number of	
9 aircraft in flight, serving	
10 liquor over the State at any	
11 given time, which either	
12 originate, terminate, or make	
13 an intermediate stop in	
14 the State 100	150
15 For a non-beverage user's license:	
16 Class 1 24	24
17 Class 2 60	60
18 Class 3 120	120
19 Class 4 240	240
20 Class 5 600	600
21For a broker's license750	1,000
22For an auction liquor license100	150
23 For a homebrewer special	
24 event permit 25	25
25 For a craft distiller	
26 tasting permit 25	25

SB3359 Engrossed - 46 - LRB103 37014 RPS 67129 b

1	For a BASSET trainer license	300	350
2	For a tasting representative		
3	license	200	300
4	For a brewer warehouse permit	25	25
5	For a craft distiller		
6	warehouse permit	25	25
7	For a third-party retailer		

8 <u>delivery license</u> <u>1,500</u> <u>1,750</u>

Fees collected under this Section shall be paid into the 9 10 Dram Shop Fund. The State Commission shall waive license renewal fees for those retailers' licenses that are designated 11 12 as "1A" by the State Commission and expire on or after July 1, 2022, and on or before June 30, 2023. One-half of the funds 13 received for a retailer's license shall be paid into the Dram 14 15 Shop Fund and one-half of the funds received for a retailer's 16 license shall be paid into the General Revenue Fund.

No fee shall be paid for licenses issued by the StateCommission to the following non-beverage users:

(a) Hospitals, sanitariums, or clinics when their use
of alcoholic liquor is exclusively medicinal, mechanical,
or scientific.

(b) Universities, colleges of learning, or schools
when their use of alcoholic liquor is exclusively
medicinal, mechanical, or scientific.

(c) Laboratories when their use is exclusively for thepurpose of scientific research.

SB3359 Engrossed - 47 - LRB103 37014 RPS 67129 b (Source: P.A. 102-442, eff. 8-20-21; 102-558, eff. 8-20-21; 102-699, eff. 4-19-22; 102-1142, eff. 2-17-23; 103-154, eff. 6-30-23; revised 9-5-23.)

4 (235 II

5

1

2

3

(235 ILCS 5/6-16) (from Ch. 43, par. 131)

Sec. 6-16. Prohibited sales and possession.

6 (a) (i) No licensee nor any officer, associate, member, 7 representative, agent, or employee of such licensee shall sell, give, or deliver alcoholic liquor to any person under 8 9 the age of 21 years or to any intoxicated person, except as 10 provided in Section 6-16.1. (ii) No express company, common 11 carrier, or contract carrier nor any representative, agent, or 12 employee on behalf of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor 13 14 for delivery within this State shall knowingly give or 15 knowingly deliver to a residential address any shipping 16 container clearly labeled as containing alcoholic liquor and labeled as requiring signature of an adult of at least 21 years 17 18 of age to any person in this State under the age of 21 years. An express company, common carrier, or contract carrier that 19 20 carries or transports such alcoholic liquor for delivery 21 within this State shall obtain a signature at the time of 22 delivery acknowledging receipt of the alcoholic liquor by an adult who is at least 21 years of age. At no time while 23 24 delivering alcoholic beverages within this State may any 25 representative, agent, or employee of an express company,

common carrier, or contract carrier that carries or transports 1 2 alcoholic liquor for delivery within this State deliver the 3 alcoholic liquor to a residential address without the acknowledgment of the consignee and without first obtaining a 4 5 signature at the time of the delivery by an adult who is at least 21 years of age. A signature of a person on file with the 6 7 express company, common carrier, or contract carrier does not 8 constitute acknowledgement of the consignee. Any express 9 company, common carrier, or contract carrier that transports 10 alcoholic liquor for delivery within this State that violates 11 this item (ii) of this subsection (a) by delivering alcoholic 12 liquor without the acknowledgement of the consignee and 13 without first obtaining a signature at the time of the 14 delivery by an adult who is at least 21 years of age is guilty 15 of a business offense for which the express company, common 16 carrier, or contract carrier that transports alcoholic liquor 17 within this State shall be fined not more than \$1,001 for a first offense, not more than \$5,000 for a second offense, and 18 19 not more than \$10,000 for a third or subsequent offense. An 20 express company, common carrier, or contract carrier shall be 21 held vicariously liable for the actions of its 22 representatives, agents, or employees. For purposes of this 23 Act, in addition to other methods authorized by law, an 24 express company, common carrier, or contract carrier shall be 25 considered served with process when a representative, agent, 26 or employee alleged to have violated this Act is personally

SB3359 Engrossed - 49 - LRB103 37014 RPS 67129 b

served. Each shipment of alcoholic liquor delivered in 1 2 violation of this item (ii) of this subsection (a) constitutes 3 a separate offense. (iii) No person, after purchasing or otherwise obtaining alcoholic liquor, shall sell, give, or 4 5 deliver such alcoholic liquor to another person under the age of 21 years, except in the performance of a religious ceremony 6 7 or service. Except as otherwise provided in item (ii), any 8 express company, common carrier, or contract carrier that 9 transports alcoholic liquor within this State that violates 10 the provisions of item (i), (ii), or (iii) of this paragraph of 11 this subsection (a) is guilty of a Class A misdemeanor and the 12 sentence shall include, but shall not be limited to, a fine of not less than \$500. Any person who violates the provisions of 13 item (iii) of this paragraph of this subsection (a) is guilty 14 15 of a Class A misdemeanor and the sentence shall include, but 16 shall not be limited to a fine of not less than \$500 for a 17 first offense and not less than \$2,000 for a second or subsequent offense. Any person who knowingly violates the 18 provisions of item (iii) of this paragraph of this subsection 19 20 (a) is guilty of a Class 4 felony if a death occurs as the result of the violation. 21

22 Ιf а licensee or officer, associate, member, 23 or employee of the licensee, or a representative, agent, 24 representative, agent, or employee of an express company, 25 common carrier, or contract carrier that carries or transports 26 alcoholic liquor for delivery within this State, is prosecuted SB3359 Engrossed - 50 - LRB103 37014 RPS 67129 b

under this paragraph of this subsection (a) for selling, 1 2 giving, or delivering alcoholic liquor to a person under the 3 age of 21 years, the person under 21 years of age who attempted to buy or receive the alcoholic liquor may be prosecuted 4 5 pursuant to Section 6-20 of this Act, unless the person under 21 years of age was acting under the authority of a law 6 7 enforcement agency, the Illinois Liquor Control Commission, or 8 a local liquor control commissioner pursuant to a plan or 9 action to investigate, patrol, or conduct any similar 10 enforcement action.

For the purpose of preventing the violation of this 11 12 Section, any licensee, or his agent or employee, or a representative, agent, or employee of an express company, 13 14 common carrier, or contract carrier that carries or transports 15 alcoholic liquor for delivery within this State, shall refuse 16 to sell, deliver, or serve alcoholic beverages to any person 17 who is unable to produce adequate written evidence of identity and of the fact that he or she is over the age of 21 years, if 18 19 requested by the licensee, agent, employee, or representative.

Adequate written evidence of age and identity of the person is a document issued by a federal, state, county, or municipal government, or subdivision or agency thereof, including, but not limited to, a motor vehicle operator's license, a registration certificate issued under the Federal Selective Service Act, or an identification card issued to a member of the Armed Forces. Proof that the defendant-licensee, SB3359 Engrossed - 51 - LRB103 37014 RPS 67129 b

or his employee or agent, or the representative, agent, or 1 2 employee of the express company, common carrier, or contract 3 carrier that carries or transports alcoholic liquor for delivery within this State demanded, was shown and reasonably 4 5 relied upon such written evidence in any transaction forbidden by this Section is an affirmative defense in any criminal 6 prosecution therefor or to any proceedings for the suspension 7 8 or revocation of any license based thereon. It shall not, 9 however, be an affirmative defense if the agent or employee 10 accepted the written evidence knowing it to be false or 11 fraudulent. If a false or fraudulent Illinois driver's license 12 or Illinois identification card is presented by a person less than 21 years of age to a licensee or the licensee's agent or 13 14 employee for the purpose of ordering, purchasing, attempting 15 to purchase, or otherwise obtaining or attempting to obtain 16 the serving of any alcoholic beverage, the law enforcement 17 officer or agency investigating the incident shall, upon the conviction of the person who presented the fraudulent license 18 19 or identification, make a report of the matter to the 20 Secretary of State on a form provided by the Secretary of State. 21

However, no agent or employee of the licensee or employee of an express company, common carrier, or contract carrier that carries or transports alcoholic liquor for delivery within this State shall be disciplined or discharged for selling or furnishing liquor to a person under 21 years of age SB3359 Engrossed - 52 - LRB103 37014 RPS 67129 b

if the agent or employee demanded and was shown, before 1 2 furnishing liquor to a person under 21 years of age, adequate 3 written evidence of age and identity of the person issued by a federal, state, county or municipal government, or subdivision 4 5 or agency thereof, including but not limited to a motor vehicle operator's license, a registration certificate issued 6 7 under the Federal Selective Service Act, or an identification card issued to a member of the Armed Forces. This paragraph, 8 9 however, shall not apply if the agent or employee accepted the 10 written evidence knowing it to be false or fraudulent.

11 Any person who sells, gives, or furnishes to any person 12 under the age of 21 years any false or fraudulent written, printed, or photostatic evidence of the age and identity of 13 14 such person or who sells, gives or furnishes to any person 15 under the age of 21 years evidence of age and identification of 16 any other person is quilty of a Class A misdemeanor and the 17 person's sentence shall include, but shall not be limited to, a fine of not less than \$500. 18

19 Any person under the age of 21 years who presents or offers to any licensee, his agent or employee, any written, printed 20 or photostatic evidence of age and identity that is false, 21 22 fraudulent, or not actually his or her own for the purpose of 23 ordering, purchasing, attempting to purchase or otherwise 24 procuring or attempting to procure, the serving of any 25 alcoholic beverage, who falsely states in writing that he or 26 she is at least 21 years of age when receiving alcoholic liquor SB3359 Engrossed - 53 - LRB103 37014 RPS 67129 b

from a representative, agent, or employee of an express 1 2 company, common carrier, or contract carrier, or who has in his or her possession any false or fraudulent written, 3 printed, or photostatic evidence of age and identity, is 4 5 quilty of a Class A misdemeanor and the person's sentence 6 shall include, but shall not be limited to, the following: a 7 fine of not less than \$500 and at least 25 hours of community 8 service. If possible, any community service shall be performed 9 for an alcohol abuse prevention program.

10 Any person under the age of 21 years who has any alcoholic 11 beverage in his or her possession on any street or highway or 12 in any public place or in any place open to the public is 13 guilty of a Class A misdemeanor. This Section does not apply to 14 possession by a person under the age of 21 years making a 15 delivery of an alcoholic beverage in pursuance of the order of 16 his or her parent or in pursuance of his or her employment.

17 It is unlawful for any parent or guardian to (a-1) knowingly permit his or her residence, any other private 18 19 property under his or her control, or any vehicle, conveyance, 20 or watercraft under his or her control to be used by an invitee of the parent's child or the guardian's ward, if the invitee is 21 22 under the age of 21, in a manner that constitutes a violation 23 of this Section. A parent or guardian is deemed to have knowingly permitted his or her residence, any other private 24 25 property under his or her control, or any vehicle, conveyance, or watercraft under his or her control to be used in violation 26

SB3359 Engrossed - 54 - LRB103 37014 RPS 67129 b

of this Section if he or she knowingly authorizes or permits 1 2 consumption of alcoholic liquor by underage invitees. Any person who violates this subsection (a-1) is guilty of a Class 3 A misdemeanor and the person's sentence shall include, but 4 5 shall not be limited to, a fine of not less than \$500. Where a violation of this subsection (a-1) directly or indirectly 6 7 results in great bodily harm or death to any person, the person 8 violating this subsection shall be quilty of a Class 4 felony. 9 Nothing in this subsection (a-1) shall be construed to 10 prohibit the giving of alcoholic liquor to a person under the 11 age of 21 years in the performance of a religious ceremony or 12 service in observation of a religious holiday.

For the purposes of this subsection (a-1) where the residence or other property has an owner and a tenant or lessee, the trier of fact may infer that the residence or other property is occupied only by the tenant or lessee.

(b) Except as otherwise provided in this Section whoever
violates this Section shall, in addition to other penalties
provided for in this Act, be guilty of a Class A misdemeanor.

20 (c) Any person shall be guilty of a Class A misdemeanor 21 where he or she knowingly authorizes or permits a residence 22 which he or she occupies to be used by an invitee under 21 23 years of age and:

(1) the person occupying the residence knows that any
 such person under the age of 21 is in possession of or is
 consuming any alcoholic beverage; and

SB3359 Engrossed - 55 - LRB103 37014 RPS 67129 b

1 (2) the possession or consumption of the alcohol by 2 the person under 21 is not otherwise permitted by this 3 Act.

For the purposes of this subsection (c) where the 4 5 residence has an owner and a tenant or lessee, the trier of fact may infer that the residence is occupied only by the 6 7 tenant or lessee. The sentence of any person who violates this subsection (c) shall include, but shall not be limited to, a 8 9 fine of not less than \$500. Where a violation of this 10 subsection (c) directly or indirectly results in great bodily 11 harm or death to any person, the person violating this 12 subsection (c) shall be guilty of a Class 4 felony. Nothing in 13 this subsection (c) shall be construed to prohibit the giving 14 of alcoholic liquor to a person under the age of 21 years in 15 the performance of a religious ceremony or service in 16 observation of a religious holiday.

17 A person shall not be in violation of this subsection (c) he or she requests assistance from the police 18 if (A) 19 department or other law enforcement agency to either (i) 20 remove any person who refuses to abide by the person's 21 performance of the duties imposed by this subsection (c) or 22 (ii) terminate the activity because the person has been unable 23 to prevent a person under the age of 21 years from consuming 24 alcohol despite having taken all reasonable steps to do so and 25 (B) this assistance is requested before any other person makes 26 a formal complaint to the police department or other law

SB3359 Engrossed - 56 - LRB103 37014 RPS 67129 b

1 enforcement agency about the activity.

2 (d) Any person who rents a hotel or motel room from the 3 proprietor or agent thereof for the purpose of or with the 4 knowledge that such room shall be used for the consumption of 5 alcoholic liquor by persons under the age of 21 years shall be 6 guilty of a Class A misdemeanor.

7 (e) Except as otherwise provided in this Act, any person 8 who has alcoholic liquor in his or her possession on public 9 school district property on school days or at events on public 10 school district property when children are present is quilty 11 of a petty offense, unless the alcoholic liquor (i) is in the 12 original container with the seal unbroken and is in the possession of a person who is not otherwise legally prohibited 13 14 from possessing the alcoholic liquor or (ii) is in the 15 possession of a person in or for the performance of a religious 16 service or ceremony authorized by the school board.

17 (Source: P.A. 97-1049, eff. 1-1-13; 98-1017, eff. 1-1-15.)

18

(235 ILCS 5/6-27.1)

Sec. 6-27.1. Responsible alcohol service server training.
(a) Unless issued a valid server training certificate
between July 1, 2012 and July 1, 2015 by a certified Beverage
Alcohol Sellers and Servers Education and Training (BASSET)
trainer, all alcohol servers in Cook County are required to
obtain and complete training in basic responsible alcohol
service as outlined in 77 Ill. Adm. Code 3500, as those

provisions exist on July 1, 2015 (the effective date of Public 1 2 Act 98-939), by July 1, 2015 or within 120 days after the alcohol server begins his or her employment, whichever is 3 later. All alcohol servers in a county, other than Cook 4 5 County, with a population of 200,000 inhabitants or more are required to obtain and complete training in basic responsible 6 7 alcohol service as outlined in 77 Ill. Adm. Code 3500, as those 8 provisions exist on July 1, 2015 (the effective date of Public 9 Act 98-939), by July 1, 2016 or within 120 days after the 10 alcohol server begins his or her employment, whichever is 11 later. All alcohol servers in a county with a population of 12 more than 30,000 inhabitants and less than 200,000 inhabitants 13 required to obtain and complete training in basic are responsible alcohol service as outlined in 77 Ill. Adm. Code 14 3500, as those provisions exist on July 1, 2015 (the effective 15 16 date of Public Act 98-939), by July 1, 2017 or within 120 days 17 after the alcohol server begins his or her employment, whichever is later. All alcohol servers in counties with a 18 19 population of 30,000 inhabitants or less are required to obtain and complete training in basic responsible alcohol 20 service as outlined in 77 Ill. Adm. Code 3500, as those 21 22 provisions exist on July 1, 2015 (the effective date of Public 23 Act 98-939), by July 1, 2018 or within 120 days after the alcohol server begins his or her employment, whichever is 24 25 later.

26

There is no limit to the amount of times a server may take

SB3359 Engrossed - 58 - LRB103 37014 RPS 67129 b

the training. A certificate of training belongs to the server, 1 2 and a server may transfer a certificate of training to a different employer, but shall not transfer a certificate of 3 training to another server. Proof that an alcohol server has 4 5 been trained must be available upon reasonable request by State law enforcement officials. For the purpose of this 6 7 Section, "alcohol servers" means persons who sell or serve 8 open containers of alcoholic beverages at retail, anyone who 9 delivers alcoholic liquor on behalf of a third-party retailer delivery licensee, anyone who delivers mixed drinks under 10 11 Section 6-28.8, and anyone whose job description entails the 12 checking of identification for the purchase of open containers 13 of alcoholic beverages at retail or for entry into the licensed premises. The definition does not include (i) a 14 15 distributor or importing distributor conducting product 16 sampling as authorized in Section 6-31 of this Act or a 17 registered tasting representative, as provided in 11 Ill. Adm. Code 100.40, conducting a tasting, as defined in 11 Ill. Adm. 18 Code 100.10; (ii) a volunteer serving alcoholic beverages at a 19 20 charitable function; or (iii) an instructor engaged in training or educating on the proper technique for using a 21 22 system that dispenses alcoholic beverages.

(b) Responsible alcohol service training must cover and assess knowledge of the topics noted in 77 Ill. Adm. Code 3500.155.

26

(c) Beginning on the effective date of this amendatory Act

SB3359 Engrossed - 59 - LRB103 37014 RPS 67129 b

of the 98th General Assembly, but no later than October 1, 2015, all existing BASSET trainers who are already BASSET certified as of the effective date of this amendatory Act of the 98th General Assembly shall be recertified by the State Commission and be required to comply with the conditions for server training set forth in this amendatory Act of the 98th General Assembly.

8 (d) Training modules and certificate program plans must be 9 approved by the State Commission. All documents, materials, or 10 information related to responsible alcohol service training 11 program approval that are submitted to the State Commission 12 are confidential and shall not be open to public inspection or 13 dissemination and are exempt from disclosure.

14 The State Commission shall only approve programs that meet 15 the following criteria:

16

17

(1) the training course covers the content specifiedin 77 Ill. Adm. Code 3500.155;

18 (2) if the training course is classroom-based, the
19 classroom training is at least 4 hours, is available in
20 English and Spanish, and includes a test;

21 (3) if the training course is online or 22 computer-based, the course is designed in a way that 23 ensures that no content can be skipped, is interactive, 24 has audio for content for servers that have a disability, 25 and includes a test;

26

(4) training and testing is based on a job task

SB3359 Engrossed - 60 - LRB103 37014 RPS 67129 b

1 analysis that clearly identifies and focuses on the 2 knowledge, skills, and abilities needed to responsibly 3 serve alcoholic beverages and is developed using best 4 practices in instructional design and exam development to 5 ensure that the program is fair and legally defensible;

6 (5) training and testing is conducted by any means 7 available, including, but not limited to, online, 8 computer, classroom, or live trainers; and

9 (6) provide the program must access on а 10 24-hour-per-day, 7-days-per-week basis for certificate 11 verification for State Commission, State law enforcement 12 officials, and employers to be able to verify certificate 13 authenticity.

14 (e) Nothing in subsection (d) of this Section shall be 15 construed to require a program to use a test administrator or 16 proctor.

(f) A certificate issued from a BASSET-licensed training program shall be accepted as meeting the training requirements for all server license and permit laws and ordinances in the State.

(g) A responsible alcohol service training certificate
 from a BASSET-licensed program shall be valid for 3 years.

(h) The provisions of this Section shall apply beginning
July 1, 2015. From July 1, 2015 through December 31, 2015,
enforcement of the provisions of this Section shall be limited
to education and notification of the requirements to encourage

SB3359 Engrossed - 61 - LRB103 37014 RPS 67129 b

1 compliance.

2 (i) The provisions of this Section do not apply to a3 special event retailer.

4 (Source: P.A. 101-631, eff. 6-2-20.)

5 (235 ILCS 5/6-28.8)

6 (Section scheduled to be repealed on August 1, 2028)

Sec. 6-28.8. Delivery and carry out of mixed drinkspermitted.

9 (a) In this Section:

10 "Cocktail" or "mixed drink" means any beverage obtained by 11 combining ingredients alcoholic in nature, whether brewed, 12 fermented, or distilled, with ingredients non-alcoholic in 13 nature, such as fruit juice, lemonade, cream, or a carbonated 14 beverage.

"Original container" means, for the purposes of this
Section only, a container that is (i) filled, sealed, and
secured by a retail licensee's employee at the retail
licensee's location with a tamper-evident lid or cap or (ii)
filled and labeled by the manufacturer and secured by the
manufacturer's original unbroken seal.

21 "Sealed container" means a rigid container that contains a 22 mixed drink or a single serving of wine, is new, has never been 23 used, has a secured lid or cap designed to prevent consumption 24 without removal of the lid or cap, and is tamper-evident. 25 "Sealed container" includes a manufacturer's original SB3359 Engrossed - 62 - LRB103 37014 RPS 67129 b

container as defined in this subsection. "Sealed container" does not include a container with a lid with sipping holes or openings for straws or a container made of plastic, paper, or polystyrene foam.

5 "Tamper-evident" means a lid or cap that has been sealed 6 with tamper-evident covers, including, but not limited to, wax 7 dip or heat shrink wrap.

8 (b) A cocktail, mixed drink, or single serving of wine 9 placed in a sealed container by a retail licensee at the retail 10 licensee's location or a manufacturer's original container may 11 be transferred and sold for off-premises consumption if the 12 following requirements are met:

(1) the cocktail, mixed drink, or single serving of wine is transferred within the licensed premises, by a curbside pickup, or by delivery by an employee of the retail licensee who:

17 (A) has been trained in accordance with Section
18 6-27.1 at the time of the sale;

(B) is at least 21 years of age; and

19

20 (C) upon delivery, verifies the age of the person
21 to whom the cocktail, mixed drink, or single serving
22 of wine is being delivered by obtaining a signature
23 <u>from a recipient aged 21 or over;</u>

(2) if the employee delivering the cocktail, mixed
drink, or single serving of wine is not able to safely
verify a person's age or level of intoxication upon

SB3359 Engrossed - 63 - LRB103 37014 RPS 67129 b

delivery <u>or is otherwise not able to complete the</u>
 <u>delivery</u>, the employee shall cancel the sale of alcohol
 and return the product to the retail license holder;

4 (3) the sealed container is placed in the trunk of the 5 vehicle or if there is no trunk, in the vehicle's rear 6 compartment that is not readily accessible to the 7 passenger area;

8 (4) except for a manufacturer's original container, a 9 container filled and sealed at a retail licensee's 10 location shall be affixed with a label or tag that 11 contains the following information:

12 (A) the cocktail or mixed drink ingredients, type,13 and name of the alcohol;

14 (B) the name, license number, and address of the
15 retail licensee that filled the original container and
16 sold the product;

17 (C) the volume of the cocktail, mixed drink, or
18 single serving of wine in the sealed container; and

(D) the sealed container was filled less than 7
days before the date of sale<u>.; and</u>

21 (5) a manufacturer's original container shall be 22 affixed with a label or tag that contains the name, 23 license number, and address of the retail licensee that 24 sold the product.

(c) Third-party <u>retailer delivery licensees</u> delivery
 services are not permitted to deliver cocktails and mixed

SB3359 Engrossed - 64 - LRB103 37014 RPS 67129 b

drinks under this Section. 1

25

(d) If there is an executive order of the Governor in 2 3 effect during a disaster, the employee delivering the mixed drink, cocktail, or single serving of wine must comply with 4 5 any requirements of that executive order, including, but not limited to, wearing gloves and a mask and maintaining 6 distancing requirements when interacting with the public. 7 8 (e) Delivery or carry out of a cocktail, mixed drink, or 9 single serving of wine is prohibited if: 10 (1) a third party delivers the cocktail or mixed 11 drink; 12 (2) a container of a mixed drink, cocktail, or single serving of wine is not tamper-evident and sealed; 13 (3) a container of a mixed drink, cocktail, or single 14 15 serving of wine is transported in the passenger area of a 16 vehicle; 17 (4) a mixed drink, cocktail, or single serving of wine is delivered by a person or to a person who is under the 18 19 age of 21; or 20 (5) the person delivering a mixed drink, cocktail, or single serving of wine fails to verify the age of the 21 22 person to whom the mixed drink or cocktail is being 23 delivered. (f) Violations of this Section shall be subject to any 24

applicable penalties, including, but not limited to, the 26 penalties specified under Section 11-502 of the Illinois SB3359 Engrossed - 65 - LRB103 37014 RPS 67129 b

1 Vehicle Code.

2 (f-5) This Section is not intended to prohibit or preempt the ability of a brew pub, tap room, or distilling pub to 3 continue to temporarily deliver alcoholic liquor pursuant to 4 guidance issued by the State Commission on March 19, 2020 5 entitled "Illinois Liquor Control Commission, COVID 19 Related 6 7 Actions, Guidance on Temporary Delivery of Alcoholic Liquor". 8 This Section shall only grant authorization to holders of 9 State of Illinois retail liquor licenses but not to licensees 10 that simultaneously hold any licensure or privilege to 11 manufacture alcoholic liquors within or outside of the State 12 of Illinois.

13 (g) This Section is not a denial or limitation of home rule 14 powers and functions under Section 6 of Article VII of the 15 Illinois Constitution.

16 (h) This Section is repealed on August 1, 2028.
17 (Source: P.A. 102-8, eff. 6-2-21; 103-4, eff. 5-31-23.)

18 (235 ILCS 5/6-28.9 new)

Sec. 6-28.9. Third-party retailer delivery licensee requirements.
(a) A person who is not licensed as a retailer under this
Act shall not deliver alcoholic liquor unless that person
holds a third-party retailer delivery license. A third-party
retailer delivery license is not required for deliveries made
directly by a retailer licensee, including by an employee of a SB3359 Engrossed - 66 - LRB103 37014 RPS 67129 b

retailer licensee. This Section does not authorize a 1 2 third-party retailer delivery licensee or any other person to 3 deliver alcoholic liquor on behalf of or from any non-retailer liquor license holder, including, but not limited to, license 4 5 holders with the privilege to manufacture alcoholic liquors within or outside of the State, or from any other person 6 outside the State of Illinois. A person qualifies for a 7 third-party retailer delivery license if the person is not 8 9 prohibited from licensure under Section 6-2.

10 <u>(b) A third-party retailer delivery licensee shall make</u> 11 <u>deliveries of alcoholic liquor in accordance with the</u> 12 <u>following conditions:</u>

13 (1) All alcoholic liquor deliveries pursuant to this 14 Section shall be for alcoholic liquor sold not for resale by retailer licensees authorized to sell alcoholic liquor 15 16 for off-premises consumption under subsection (d) of 17 Section 5-1. Third-party retailer delivery licensees shall not deliver alcoholic liquor on behalf of retailer 18 19 licensees authorized to sell alcoholic liquor for 20 on-premises consumption only.

21 (2) All alcoholic liquor deliveries pursuant to this
22 Section shall be for alcoholic liquor in the original
23 package. Alcoholic liquor sold pursuant to Section 6-28.8
24 may not be delivered by a third-party retailer delivery
25 licensee.

26 (3) A third-party retailer delivery licensee may

SB3359 Engrossed - 67 - LRB103 37014 RPS 67129 b

1 charge a consumer a reasonable delivery fee similar to delivery fees for non-alcoholic liquor products. 2 3 (4) A third-party retailer delivery licensee shall conduct a background check of all employees and 4 5 contractors that deliver alcoholic liquor on its behalf. A third-party retailer delivery licensee may not employ or 6 contract with a person if that person would be prohibited 7 8 from licensure under Section 6-2. 9 (5) A third-party retailer delivery licensee shall 10 maintain a general liability insurance policy with a 11 liquor liability addendum for the minimum coverage 12 required by this Act. A third-party retailer delivery licensee is liable for any sales and deliveries of 13 14 alcoholic liquor by its delivery agents to intoxicated 15 persons or persons under the age of 21. 16 (6) A third-party retailer delivery licensee is subject to the provisions of Section 6-5 of this Act and 17 shall not receive anything of value from a licensed 18 19 manufacturer, non-resident dealer, distributor, importing distributor, or foreign importer, including, but not 20 21 limited to, revenue for any advertisement or website 22 placement of alcoholic liquor products on a third-party 23 retailer delivery licensee website or online application. 24 (7) A third-party retailer delivery licensee shall not

25 resell alcoholic liquor nor shall a third-party retailer
 26 delivery licensee deliver alcoholic liquor to a location

SB3359 Engrossed - 68 - LRB103 37014 RPS 67129 b

licensed to sell alcoholic liquor, except for private use
 at locations licensed as a hotel, as defined in Section
 1-3.25, or other similar accommodations.

4 <u>(8) If the third-party retailer delivery licensee</u> 5 <u>advertises the price of alcoholic liquor, then the price</u> 6 <u>advertised shall be identical to the price charged by the</u> 7 <u>retailer licensee. All alcoholic liquor products offered</u> 8 <u>by a retailer licensee shall be offered by the third-party</u> 9 <u>retailer delivery licensee.</u>

10 (9) The third-party retailer delivery licensee may 11 receive orders and accept payments through a website or 12 through a mobile application or similar technology if the payments for alcoholic liquor are immediately directed to 13 14 an account owned and controlled by the retailer licensee 15 and the website or similar application identifies the name 16 and address of the retailer licensee prior to completion 17 of the sale.

18 (10) The third-party retailer delivery licensee shall 19 maintain a record of all deliveries of alcoholic liquor 20 for a period of 3 years from the date of delivery and shall 21 make such records available to the State Commission within 22 a reasonable time upon request. The record of each 23 delivery shall include the following:

24 (A) The name and address of the retailer licensee
25 from which the alcoholic liquor was purchased.
26 (B) The name, date of birth, address, and

SB3359 Engrossed - 69 - LRB103 37014 RPS 67129 b

1	signature of the recipient of the alcoholic liquor.
2	(C) The name of the delivery agent making the
3	delivery and the date, time, and address of the
4	delivery.
5	(D) The type, brand, and quantity of each
6	alcoholic liquor delivered.
7	(E) An itemization of the alcoholic liquor
8	products sold and the price of each alcoholic liquor
9	item.
10	(11) A retailer licensee shall accept or reject all
11	orders placed for alcoholic liquor through the third-party
12	retailer delivery licensee and determine the price at
13	which alcoholic liquor products are offered for sale by
14	the retailer licensee and delivered by the third-party
15	<u>retailer delivery licensee.</u>
16	(12) A retailer licensee may enter into a contract
17	with a third-party retailer delivery licensee for a fixed
18	fee for services. All contracts between the retailer
19	licensee and a third-party retailer delivery licensee
20	shall be provided by the retailer licensee or third-party
21	retailer delivery licensee upon the request of the State
22	Commission.
23	(13) Subject to the review of the State Commission, a
24	third-party retailer delivery licensee shall use updated
25	identification scanning or similar technology for the
26	purpose of verifying the age and likeness of the

1 presenter.

(235 ILCS 5/6-28.10 new) 2 3 Sec. 6-28.10. Alcoholic liquor delivery requirements. 4 (a) For deliveries pursuant to subsection (d) of Section 5-1 and Section 6-28.9, a retailer licensee and third-party 5 retailer delivery licensee shall: 6 7 (1) conduct deliveries by a person 21 years of age or over holding a valid Beverage Alcohol Sellers and Servers 8 9 Education Training (BASSET) certificate issued pursuant to 10 Section 6-27.1 of this Act. A third-party retailer 11 delivery licensee or a retailer engaged in the delivery of 12 alcoholic liquor may request a waiver of the BASSET 13 requirement for third-party retailer delivery licensee contract deliverers or retailer employee deliverers if the 14 15 third-party retailer delivery licensee or retailer 16 provides proof of its training module or program demonstrating to the <u>satisfaction of the State Commission</u> 17 18 that such training module or program satisfies BASSET principles, such as underage or intoxicated person access 19 20 prevention; 21 (2) examine the data and the photograph on the 22 identification of the recipient and obtain the signature 23 from the recipient to verify the recipient is 21 years of 24 age or older. The data and the photograph of the recipient 25 shall demonstrate a reasonable likeness of the recipient;

SB3359 Engrossed - 71 - LRB103 37014 RPS 67129 b

1	(3) unless the contents of the delivery are prepared
2	and packaged by an agent of the third-party delivery
3	licensee, include a statement clearly visible on the
4	outside of the packaging that the delivery contains
5	alcoholic liquor not to be provided to any person under
6	the age of 21;
7	(4) fulfill the delivery order from the retailer
8	licensee's location nearest to the address of the
9	recipient;
10	(5) require the return of deliveries to the retailer
11	licensee's location from which the alcoholic liquor is
12	purchased if a delivery was attempted to an unqualified
13	recipient, delivery was attempted to a recipient who
14	refused delivery, or a delivery was unable to be completed
15	for any other reason. An unqualified recipient of an
16	alcoholic liquor delivery includes circumstances in which:
17	(A) there is reason to doubt the authenticity or
18	correctness of the recipient's identification;
19	(B) the recipient refuses to sign for the receipt
20	of the delivery;
21	(C) the recipient is unable to produce valid
22	identification; or
23	(D) the recipient exhibits signs of intoxication;
24	and
25	(6) refuse to deliver alcoholic liquor to any
26	elementary school, secondary school, public playground, or

SB3359 Engrossed - 72 - LRB103 37014 RPS 67129 b

1 public park.

2	(b) Except for reasonable compensation provided to a
3	delivery person pursuant to customary delivery practices, a
4	retailer licensee or third-party retailer delivery licensee
5	shall not compensate delivery personnel on the basis of a
6	completed delivery but may compensate a delivery driver for a
7	return of undeliverable alcoholic liquor.